## MAYOR & COUNCIL AGENDA COVER SHEET

### **MEETING DATE:**

January 3, 2005

### **CALL TO PODIUM:**

Fred Felton Assistant City Manager

### **RESPONSIBLE STAFF:**

Fred Felton Assistant City Manager

#### **AGENDA ITEM:**

(please check one)

|   | Presentation                 |  |  |
|---|------------------------------|--|--|
|   | Proclamation/Certificate     |  |  |
|   | Appointment                  |  |  |
|   | Public Hearing               |  |  |
|   | Historic District            |  |  |
|   | Consent Item                 |  |  |
|   | Ordinance                    |  |  |
| X | Resolution                   |  |  |
|   | Policy Discussion            |  |  |
|   | Work Session Discussion Item |  |  |
|   | Other:                       |  |  |

### **PUBLIC HEARING HISTORY:**

(Please complete this section if agenda item is a public hearing)

| Introduced        |  |
|-------------------|--|
| Advertised        |  |
|                   |  |
|                   |  |
|                   |  |
|                   |  |
|                   |  |
|                   |  |
| Hearing Date      |  |
| Record Held Open  |  |
| Policy Discussion |  |

## TITLE:

Introduction of a Resolution of the Mayor and City Council to Amend Section 5 of the City Charter to Increase the Salary of Members of the City Council and to Amend Section 16 of the City Charter to Increase the Salary of the Mayor of the City of Gaithersburg

# **SUPPORTING BACKGROUND:**

On June 7, 2004, the Mayor and City Council approved a resolution establishing the Ad Hoc Mayor and City Council Compensation Review Committee (known as Compensation Committee).

For your review, I have attached the Committee's final report and the supporting background material. The Committee's specific recommendations are as follows:

- That the City Council's salary be increased from \$6,000 per year to \$10,000 per year effective as new terms are created by City elections.
- That the Mayor's salary be increased from \$7,500 per year to \$12,500 per year when a new term is created by the City election.
- No change in health care benefits for the Mayor and City Council.
- To prevent such a large salary gap from developing in the future, the Compensation Committee strongly recommends that the Mayor and City Council appoint a compensation review committee of this nature every four years.
- That the Planning Commission's annual stipend be increased from \$240 per year to \$1,500 per year effective July 1, 2005.

# **DESIRED OUTCOME:**

Staff recommends the Council vote to introduce the resolution, and notify the public that a public hearing will be held on Tuesday, February 22, 2005.

# **SUPPORTING BACKGROUND: (cont'd)**

During the October 4, 2004 Mayor and City Council meeting, the Compensation Committee presented its report to the Mayor and City Council. The Mayor and City Council directed staff to prepare a Charter Amendment for public hearing that would implement the Committee's recommendations.

Based on discussion during the October 4 meeting, staff has prepared two alternative Charter Amendments. Alternative One would stagger the Council's salary increases as new terms are created by elections: the holders of two Council seats would receive the increase in November of 2005, and the holders of the remaining three seats would not receive the increase until November of 2007. Alternative Two would make the salary increase for all five seats effective after the November 2007 election.

| Resolution No |  |
|---------------|--|
|---------------|--|

RESOUTION OF THE MAYOR AND CITY COUNCIL TO AMEND SECTION 5 OF THE CITY CHARTER TO INCREASE THE SALARY OF MEMBERS OF THE CITY COUNCIL AND TO AMEND SECTION 16 OF THE CITY CHARTER TO INCREASE THE SALARY OF THE MAYOR OF THE CITY OF GAITHERSBURG

WHEREAS, the Mayor and City Council appointed an Ad Hoc Mayor and City Council Compensation Review Committee on June 7, 2004; and

WHEREAS, the Mayor and City Council Compensation Review Committee thoroughly reviewed the compensation of elected officials in jurisdictions throughout Maryland and Virginia and found that the salaries of Gaithersburg's elected officials were significantly lower; and

WHEREAS, the Mayor and City Council Compensation Review Committee has recommended that the Mayor's salary be increased from \$7,500 per year to \$12,500 per year when a new term is created by the City's election and that the City Council's salary be increased from \$6,000 to \$10,000 per year as new terms are created by City elections:

NOW, THEREFORE, BE IT RESOLVED that Section 5 and Section 16 of the City Charter are hereby amended to read as follows:

### Sec. 5. Salary of Members of the Gaithersburg City Council.

The members of the city council for the City of Gaithersburg, Maryland, shall be paid an annual salary of Six Thousand Dollars (\$6,000.00), except as hereinafter provided. Council members elected to office in the calendar year 2005 shall receive an annual salary of Ten Thousand Dollars (\$10,000.00) for the term commencing November 2005. Council members elected to office in the calendar year 2007 shall receive an annual salary of Ten Thousand Dollars (\$10,000.00) for the term commencing in November of 2007. Council members elected anytime after November 2007 shall receive an annual salary of Ten Thousand Dollars (\$10,000.00).

### Sec. 16. Same--Salary.

The mayor shall be paid an annual salary of Seven Thousand Five Hundred Dollars (\$7,500.00), except as hereinafter provided. The person elected to the office of mayor in 2005 shall receive an annual salary of Twelve Thousand Five Hundred Dollars (\$12,500.00) Anyone elected to the office of mayor after November 2005 shall receive an annual salary of Twelve Thousand Five Hundred Dollars (\$12,5600.00).

ADOPTED by the City Council this 7<sup>th</sup> day of March, 2005.

SIDNEY A. KATZ, MAYOR and President of the Council

THIS IS TO CERTIFY that the foregoing Resolution was adopted by the City Council in public meeting assembled on the 7<sup>th</sup> day of March, 2005.

\_\_\_\_\_

David B. Humpton, City Manager

| Resolution | No. |  |
|------------|-----|--|
|            |     |  |

RESOUTION OF THE MAYOR AND CITY COUNCIL TO AMEND SECTION 5 OF THE CITY CHARTER TO INCREASE THE SALARY OF MEMBERS OF THE CITY COUNCIL AND TO AMEND SECTION 16 OF THE CITY CHARTER TO INCREASE THE SALARY OF THE MAYOR OF THE CITY OF GAITHERSBURG

WHEREAS, the Mayor and City Council appointed an Ad Hoc Mayor and City Council Compensation Review Committee on June 7, 2004; and

WHEREAS, the Mayor and City Council Compensation Review Committee thoroughly reviewed the compensation of elected officials in jurisdictions throughout Maryland and Virginia and found that the salaries of Gaithersburg's elected officials were significantly lower; and

WHEREAS, the Mayor and City Council Compensation Review Committee has recommended that the Mayor's salary be increased from \$7,500 per year to \$12,500 per year when a new term is created by the City's election and that the City Council's salary be increased from \$6,000 to \$10,000 per year as new terms are created by City elections:

NOW, THEREFORE, BE IT RESOLVED that Section 5 and Section 16 of the City Charter are hereby amended to read as follows:

## Sec. 5. Salary of Members of the Gaithersburg City Council.

The members of the city council for the City of Gaithersburg, Maryland, shall be paid an annual salary of Six Thousand Dollars (\$6,000.00), except as hereinafter provided. Immediately after the November 2007 City election, the salary of members of the City council shall be increased to Ten Thousand Dollars (\$10,000.00).

### Sec. 16. Same--Salary.

The mayor shall be paid an annual salary of Seven Thousand Five Hundred Dollars (\$7,500.00), except as hereinafter provided. The person elected to the office of mayor in 2005 shall receive an annual salary of Twelve Thousand Five Hundred Dollars (\$12,500.00) Anyone elected to the office of mayor after November 2005 shall receive an annual salary of Twelve Thousand Five Hundred Dollars (\$12,5600.00).

ADOPTED by the City Council this 7th day of March, 2005.

SIDNEY A. KATZ, MAYOR and President of the Council

THIS IS TO CERTIFY that the foregoing Resolution was adopted by the City Council in public meeting assembled on the 7<sup>th</sup> day of March, 2005.

David B. Humpton, City Manager